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SPEECH

OF THE

HON. S. C. WOOD,

Treasurer of the Province of Ontario,

DELIVERED ON THE 27TH JANUARY, 1881,

IN

The Legislative Assembly of Ontario,


ON MOVING THE HOUSE INTO COMMITTEE OF SUPPLY.

REPORTED BY L. V. PERCIVAL.

Toronto:

PRINTED BY C. BLACKETT ROBINSON, 5 JORDAN STREET.

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FINANCIAL STATEMENT

OF THE

HON. S. C. WOOD.

LEGISLATIVE ASSEMBLY,

TORONTO,

Thursday, 27th January, 1881.

MR. SPEAKER,—In rising to move that you leave the chair, I have much pleasure in announcing that the Public Accounts for the year 1880 will be laid upon the table on Monday or Tuesday next—at least, that is the promise of the printer. I have endeavoured to meet the views of the House in this matter by bringing down the previous year's accounts at the earliest possible moment, and I trust that any extra expense incurred in my Department in accomplishing this will meet the approval of Hon. Members.

The Receipts for the year 1880 have been as follows :—

RECEIPTS, 1880.

Subsidy.....	\$1,116,872 80
Specific grant.....	80,000 00
Interest, special funds.....	136,696 62
	\$1,333,569 42

Crown Lands Revenue—

Crown lands	\$38,867 90
Clergy lands	18,613 87
Common School lands.....	40,243 42
Grammar School lands	5,027 47

Woods and forests	\$501,442 17	
Casual	12,117 13	
		616,311 96
<i>Public Institutions Revenue—</i>		
Toronto Lunatic Asylum	\$24,959 60	
London Lunatic Asylum	6,800 60	
Hamilton Lunatic Asylum	2,742 62	
Kingston Lunatic Asylum	2,627 09	
Orillia Lunatic Asylum	966 51	
Reformatory	1,494 10	
Blind Institute	23 55	
Deaf and Dumb Institute	1,077 00	
Central Prison	22,390 76	
Mercer Reformatory	515 71	
School of Practical Science	385 00	
		63,982 54
<i>Education—</i>		
On account of education revenue		44,284 27
<i>Investments—</i>		
Interest on investments		101,812 26
<i>Casual Revenue—</i>		
Gazette	\$8,236 18	
Statutes	336 00	
Sundries	21,020 73	
		29,592 91
<i>Licenses—</i>		
On account of licenses		91,207 68
<i>Law Stamps—</i>		
On account of law stamps		66,984 00
<i>Algoma Taxes—</i>		
On account of Algoma taxes		1,863 92
<i>Drainage Assessment—</i>		
On account of assessment		19,734 97
<i>Municipal Loan Fund—</i>		
On account of Municipal Loan Fund		51,735 35
<i>Agricultural College Insurance—</i>		
On account of Agricultural College insurance		1,500 01
<i>School of Practical Science—</i>		
On account of School of Practical Science		14,363 27
<i>Mimico Farm—</i>		
On account of Mimico Farm		885 99

Lunatic Asylums—

On account of Kingston Lunatic Asylum.....	\$8 53
On account of Toronto Lunatic Asylum—land sold Credit Valley.....	9,913 75

Central Prison—

On account of Central Prison—land sold Credit Valley.....	4,166 66
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Settlers' Homestead Fund—

On account of settlers' homesteads	18 00
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\$2,451,935 49

It must be very gratifying to learn, or rather to notice, the very marked increase in the revenue from Crown Lands, which has been \$166,311.96 more than was estimated.

AN HON. MEMBER.—That is from the Woods and Forests Branch?

HON. MR. WOOD.—That is from the whole of the Crown Lands Department. From all the branches the receipts are \$166,311.96 more than were estimated; and further, Sir, the revenue of the Province of Ontario has exceeded the estimate by \$135,216.07, while it has exceeded the disbursements, or the expenditure under the Supply Bill, by \$208,271.95. (Applause.)

The Public Institutions' Revenue has not been so large as estimated, but this may be accounted for by the fact that the brick and labour furnished from the Central Prison to the Andrew Mercer Reformatory, amounting to \$16,263.36, have not been paid for. We have other outstanding accounts amounting to \$3,260.00. Then we have on hand brick manufactured, 2,678,000, valued at \$14,729.00, and I may add that in addition to that we have 1,022,000 brick ready for burning, which, at the usual valuation of \$3.50 per thousand, would make \$3,577.00 more. We have several applications from different persons for the purchase of large quantities of brick from the Central Prison, but in view of the erection of Parliament Buildings, the Government have decided to retain the product in the prison yard.

Our five per cent. bonds mature in 1883. Now the premium on bonds declines very rapidly as the time for payment approaches. We had, as you are aware, Mr. Speaker, an advance of \$413,100.00 on account of these bonds, as mentioned in my last Financial Statement, and as we had had this advance, and would likely require some of this money for the erection of Parliament Buildings, the Government decided to take advantage of the very high prices prevailing in England for Dominion securities, and dispose of our five per cent. bonds, which realized $105\frac{1}{2}$, and the total cost of sale, $\frac{3}{8}$ per cent.

AN HON. MEMBER.—When did the sale take place?

HON. MR. WOOD.—About 1st July last.

The Expenditure for 1880, Mr. Speaker, has been as follows :—

EXPENDITURE, 1880.

Civil Government	\$173,732 67
Legislation....	111,585 44
Administration of Justice	265,070 31
Education	505,104 86
Public Institutions—Maintenance.....	505,598 41
Immigration....	52,982 19
Agriculture, Arts, Literary and Scientific Institutions	107,282 72
Hospitals and Charities.....	72,832 63
Miscellaneous.....	91,293 19
Public Buildings	141,361 12
Public Works.....	26,375 31
Colonization Roads.....	96,839 99
Charges on Crown Lands.....	59,046 47
Refunds	34,558 23
	<hr/>
	\$2,243,663 54
New Parliament Buildings	4,150 07
Drainage Debentures.....	51,279 30
Municipal Loan Fund Distribution.....	22,061 41
Aid to Railways	182,032 48
Common School Fund—interest sent Quebec.....	15,000 00
	<hr/>
Total	\$2,518,180 80

As usual, Mr. Speaker, there have been certain over-expenditures covered by the vote of \$50,000 for “Unforeseen and Unprovided.”

To one of these I propose to refer, and that is the expenditure in connection with the Agricultural Commission. The over-expenditure on that account has been \$1,890.30. It was impossible to foresee just what the expense would be. The Government were under the impression that \$5,000 would cover that service, but it has turned out that the lowest we could possibly keep the expenditure down to was \$6,890.30, or \$1,890.30 more than the amount authorized by this House. I am satisfied, however, that when the volume of work is taken into consideration—when the importance of the subjects discussed and investigated is realized, no Hon. Member of this House will feel justified in finding fault with this over-expenditure. I may illustrate some of the work done, but only a portion. I do so for the purpose of giving some idea of the labour performed by this Commission, but it will only give a partial idea. In fruit growing and forestry, grape culture, bee keeping, etc., etc., 34¹/₂ witnesses were examined; in general farming, management of stock and crops, etc., 37 witnesses; in the various breeds of cattle, etc., 18; in horse breeding, 11; in stock feeding and shipping, 17; in dairying, cheese and butter, 10; in the use of salt in relation to agriculture, etc., 14; in gypsum and phosphate as fertilizers, 13; and in other subjects, 17; besides 50 witnesses examined in the Muskoka District. This, as I said before, gives a poor idea of the amount of work performed; at the same time, it does illustrate the fact that the Commission left nothing undone to obtain information from those persons whose evidence would be of value in a work of this kind. I propose, Sir, to take advantage of some other opportunity to speak at greater length with reference to the Commission. I can do so with more advantage to the House when the Report has been brought down. I therefore will refrain from making any very lengthened remarks now, but simply express, on the part of the Government, their very high appreciation of the valuable services so willingly, so intelligently, and so successfully performed by the Commission. I may add that the Commissioners were appointed for non-political objects, that the work done was non-political in character, that Reformers and Conservatives alike, whether as Commissioners or witnesses, were alike

active and anxious to make this what it will be—the most interesting, valuable and important Report ever presented to the Ontario Legislature.

It will be noticed, Mr. Speaker, that the expenditure under the head of Public Institutions' Maintenance has reached a very large sum—no less than \$506,328—while in 1871 the amount expended for that purpose was only \$171,425; but this is accounted for by the increase in the number of inmates, pupils, etc. In 1871 the number of inmates, etc., was 1,875; in 1880 the number had increased to 4,662.

There is another item which I propose to say a few words about, and that is the expenditure in the Muskoka District. The early frost in the Fall of 1879 caused a partial failure of the crops in certain townships of Muskoka. In the spring of 1880, from various and reliable sources, we obtained information that great destitution prevailed in that portion of the country, and that unless something was done to relieve it, wide-spread distress and suffering would follow. The Government therefore took upon itself the responsibility of purchasing grain for these people to the extent of nearly \$10,000.

The Assets of the Province of Ontario on the 31st December, 1880, were as follows:—

ASSETS.

1.—Investments—			
Dominion 6 per cent. Bonds.....	\$500,000 00		
Market value over par value ...	30,000 00		
		\$530,000 00	
Drainage—Draining 5 per cent. Debentures, and invested 31st December, 1880.....	245,392 41		
Over-due interest on account of same	2,678 93		
Municipal rent charges for works completed	330,336 98		
Over-due interest on account of same	5,539 40		
Drainage—5 per cent. tile drain- age—debentures invested up to 31st December, 1880.....	15,000 00		
		598,947 72	
Carried forward			\$1,128,947 72

ASSETS—Continued.

<i>Brought forward</i>		\$1,128,947 72
2.—Special or Trust Fund within Dominion of Canada— Upper Canada Grammar School Fund, 2 Vic., Cap. 10, and 250,000 acres of land allotted to it. (This fund is bearing interest at 5 per cent.)	312,769 04	
Upper Canada Building Fund (under the 18th Sec. Act 1854) Seigniorial tenure set apart for local purposes in Upper Canada. (A large portion of this fund should bear interest at 6 per cent, but we have received only 5 per cent.)	1,472,391 41	
Land Improvement Fund, being one-fourth of the collection on account of Common School Lands sold between the 14th day of March, 1853, and the 6th day of June, 1861, as per award	124,685 18	
Common School Fund (see Consolidated Stat- utes, Cap. 26, 1,000,000 acres set apart) pro- ceeds realized to 1st July, 1867, after deduct- ing Land Improvement Fund, \$1,520,959.24 portion belonging to Ontario, as per popula- tion of 1871. This fund is bearing interest at 5 per cent.	876,573 00	2,786,418 63
3.—Value of Library Share assigned to Ontario, as per award.		105,541 00
4.—Balance due on account of Municipal Loan Fund Debts, 31 Vic., Cap. 47.		71,945 38
5.—Balance due from Mechanics' Institutes.		6,714 33
6.—Balance due on account of sale of lots at Mimico		6,728 56
Balances in Bank—current account.	\$370,799 45	
Special deposits.	563,392 35	934,191 80
		<u>\$5,040,487 42</u>

The Liabilities are as follows :—

LIABILITIES.

<i>Railway Aid Fund.</i>	\$	c.	\$	c.
(34 and 35 Vic.)—Grand Junction, to complete to Peterborough, 20 miles, at \$3,000.....	60,000	00		
Montreal and City of Ottawa, 66 miles, at \$2,000...	132,000	00		
(39 Vic.)—Montreal and City of Ottawa, 66 miles, at \$1,000	66,000	00		
			258,000	00
<i>Surplus Distribution to Municipalities.</i>				
Amount	3,115,733	66		
Less amount paid on account of principal	3,020,414	06		
			95,319	60
<i>Quebec's share of Common School Fund (made up as follows :)</i>				
Collections on account of lands sold between 14th June, 1853, and 6th March, 1861	743,078	97		
Less 6 per cent., cost of management \$44,584 74				
One quarter for Land Improvement Fund, on account of land sold..... 185,769 74	230,354	48		
	512,724	49		
Collections on sales made since 6th March, 1861	\$314,297	76		
Less 6 per cent., cost of management.... 18,857 96	295,439	80		
	808,164	29		
Quebec's proportion, according to population, 1871 ..			342,394	03
<i>Land Improvement Fund.</i>				
Due municipalities for collections on lands sold between 14th day of June, 1853, and 6th day of March, 1861, as per award			124,685	18
			820,398	81

Shewing a surplus of \$4,220,088.61. (Applause.)

MR. MILLER.—I did not understand the hon. gentleman as to what we owe on account of railways. Does the amount mentioned include all the payments which are to be made on account of railway certificates?

MR. WOOD.—We have not in the past treated, and do not now propose to treat, that as a liability. I shall be quite prepared at another time to discuss that question of liability, taking as a basis the annual payments which the Hon. Member wishes capitalized, and to go into it as a liability.

The estimated receipts for the year are as follows :—

ESTIMATED RECEIPTS FOR THE YEAR 1881.

Subsidy.....	\$1,116,872 80	
Specific grant	80,000 00	
Interest on Special Fund	136,696 62	
	<hr/>	\$1,333,569 42

Crown Lands Revenue—

Crown Lands	\$32,000 00	
Clergy Lands	13,000 00	
Common School Land	32,000 00	
Grammar School Land	3,000 00	
Woods and Forests.....	500,000 00	
	<hr/>	580,000 00

Public Institutions Revenue—

Lunatic Asylum, Toronto	\$30,000 00	
“ London	8,000 00	
“ Kingston	4,000 00	
“ Hamilton.....	4,000 00	
“ Orillia	1,000 00	
Penetanguishene Reformatory	2,000 00	
Mercer Reformatory	4,000 00	
Deaf and Dumb Institute.....	1,000 00	
Central Prison.....	70,000 00	
	<hr/>	124,000 00
Education Revenue	40,600 00	
Interest on Investments	75,000 00	
Casual Revenue.....	40,000 00	
License Fund.....	92,000 00	
Algoma Taxes	10,000 00	
Law Stamps.....	70,000 00	
Drainage Assessment Fund.....	26,000 00	
Sale of Revised Statutes.....	
Municipal Loan Fund.....	
Toronto Mechanics' Institute	
From Insurance Companies, to defray expenses of Inspection by Provincial Inspector	3,000 00	
From Counties, to defray expenses of taking lunatics to Asylums, boys to Reformatory, etc.	6,000 00	
	<hr/>	\$2,400,169 42

I propose now, Mr. Speaker, to refer briefly to the Estimates in the hands of Hon. Members, and to confine myself principally to the Agricultural College. It will be noticed that we ask less for the maintenance this year of 150 pupils than we asked last year for some 90 boys. In the year 1875, when the College was first started, we gave board to the students and a bonus of \$50 a year. In the year 1876 we charged \$2 a week for board, but we allowed ten cents an hour for labour, and the result was that the labour came to more than the board. In 1878 we made a still further change, by charging not \$2 a week but the full cost of board, allowing ten cents an hour for skilled labour, and for unskilled labour in proportion. What I mean by skilled labour is the labour of farmers' sons of from 18 to 22 years of age. In 1879 we commenced charging outside fees; the number was few, and the fee \$10. Now we have adopted a different principle. We charge the cost of board, allow ten cents an hour for skilled labour, and we charge a fee of \$25 to students from Ontario, and \$50 from all outside of Ontario. This we have found not to affect the applications for admission. As a matter of fact, there would be no difficulty whatever in filling the College with students from England at \$100 a year, and so far as Ontario is concerned, the number of applications which we were able to comply with, as compared with those who sought admission, ranks as one to three—in other words, we have refused admission to more students than we have been able to receive. The result of these changes may be somewhat interesting to the House, as shewing the effect they have had upon the financial operations of the College, and Hon. Members will also see why it is that with a larger number of pupils this year we ask less for maintenance. In 1875 we paid the students \$1,072; in 1876, even with the change effected, we paid them \$1,031; in 1877 we paid \$680; in 1878, *nil*; in 1879, with the change, we received \$902; in 1880, \$4,027; and in 1881 we expect, with every reasonable prospect, to receive \$8,500. In giving preference to Ontario students, we think it is desirable and wise that we should comply with a few of the many applications made on the part of persons who wish their friends admitted to the College, and who do

not reside in Ontario. There are a great many wealthy parents in England who are anxious that their sons shall come to Ontario for the purpose of learning farming, as practised in this country, and they ask that they shall be allowed to spend one or two terms at the Agricultural College prior to their becoming actual settlers, and I say that it is but fair that this should be permitted, and that we should follow the practice of complying with a few of such applications. It acts as an advertisement in England amongst the very class we desire to come to Canada, viz., men of capital who are able to buy farms.

MR. MERRICK.—Will you give the number of students at the College outside of the Province?

MR. WOOD.—I do not know that I can give the number, but it is very limited.

Now, Sir, with the leave of the House, I would like to devote some little time to considering the municipal finances of the Province of Ontario. I do so because I think it is desirable that we in this House should understand thoroughly just what position Ontario occupies as well municipally as provincially with regard to her own funds. Year by year we come down with statements shewing the disposal of the money voted by the House, whilst of the much more numerous and important transactions carried on by the municipalities we have but little knowledge; and although each Member could tell pretty well what was taking place in his own county, I am bound to say that I do not think there is a Member on the floor of this House who can give a correct idea of the municipal debt of the Province of Ontario. I am bound also to say that I do not believe that any Member on the floor of this House has anything like an accurate idea of the amount of the municipal debentures issued in the Province of Ontario; and having myself the advantage of two Returns, one, in compliance with an order in 1880, requiring a copy to be furnished of the abstract of receipts and expenditures, and the other a Return moved for, and which has just come down, of the assets and liabilities of the various municipalities, sent in by their respective Clerks, I have gathered from them certain informa-

tion which I think it is desirable should be laid before the House, and before I go any further I may state that I am not one of those who believe that, in the majority of cases, municipalities should keep out of debt. There are permanent improvements to be made, such as gravel roads, railways, water works, drainage, sewerage, and works of a kindred character, and which are necessary for the proper improvement of the country. Our Court Houses, Public School Buildings, etc., are evidences of our advancement and prosperity. They do not add to our resources, but they add to the wealth of the country, and when liabilities are assumed for purposes of that character, it is not only desirable but in the public interest that they should be incurred. The Return brought down on motion of the Hon. Member for Huron is not satisfactory. In some cases the Clerks did not understand the nature of the information asked for. In other cases they were not in a position to give the information desired. Some of the debentures were renewals of debentures issued perhaps fifteen or twenty years ago; others were for the consolidation of the debt in the municipality; so you can very readily see that out of the very large number of Clerks we have in Ontario, every once in a while we met with some Clerk who had not understood the nature of the instructions sent him, and I may further state that the Return brought down referred to does not agree entirely with the statement compiled from the various Auditors' Abstract Reports, but that I am inclined to place more confidence upon the returns of the Auditors than those of the Clerks. The Auditors have the accounts before them; they have just gone through the figures for the year; they have the Treasurer, as a rule, sitting by their side, and they know that their report is to be submitted to Council. At the same time, the Return contains a great deal of valuable information. The Return moved for by the Hon. Member for Huron also shews that the debentures were issued for proper objects; that the expenditure of the proceeds was for works of a productive character—productive in the sense of adding to the comfort and convenience of the people—and notwithstanding the tax incurred for payment of interest and the future reduction of the principal, their issue has

added to the value of the country at large. The moneys expended were the proceeds of the debentures referred to. I may state that even in the Abstract Report of the Auditors, and Statement of Assets and Liabilities, some of the Auditors, in placing the debentures under "Liabilities," first took the amount of investments, or rather sinking fund, from the amount of the debentures, and placed the balance as a liability. Other Auditors pursued the proper course, which was to shew the total of the debentures as a liability, and place as an asset the amount of the sinking fund on hand. Therefore the Return even from the Auditors' Report is not strictly correct, and having gone carefully into the accounts, I think I am quite safe in putting down the Municipal Debenture Liability of the Province of Ontario at \$22,000,000; and this money has been expended for the following objects, principally :—

Roads and Bridges	\$1,861,700 00
Railway Aid	8,427,982 00
Public Buildings	1,044,206 00
High, Public, and Separate School Houses	1,497,610 00
Drainage and Sewage	2,055,133 00
Water Works and Fire Apparatus	4,792,726 00
Aid to Manufactures	202,350 00
Agricultural Societies and Grounds	39,200 00
	<hr/>
	\$19,920,907 00

According to the Return brought down of receipts and expenditures, under the Act of last session, the assessment receipts for 1879 were \$7,872,461.67—a very large sum indeed to be assessed by the municipalities of the Province of Ontario. Now the average rate is not quite one cent, which would give the assessed value of the Province as \$787,000,000, but, as the real property in the Townships, outside of Towns and Cities, is valued at not over sixty per cent. of its value, in Towns and Cities seventy-five per cent., and as personal property is assessed both in the country and in Cities at not over twenty-five per cent. of its value, I think it is safe to say that the assessable property of the Province of Ontario is \$1,200,000,000. The debenture debt of \$22,000,000 under these circumstances is not a

very alarming sum. At the same time it must be borne in mind that the tax for this \$22,000,000 is not equally distributed over the whole Province. Certain portions are out of debt, and issue no debentures, but we will take that portion which is in debt on account of debentures, and take that portion which the \$22,000,000 covers, and even then it is not equally divided, and I may state here that the assessable property of the municipalities which owe this \$22,000,000 is over \$500,000,000, but unfortunately there are municipalities which have aided railways and made other expenditures to such an extent that the rate is very high, and in some cases oppressive. On the other hand there are municipalities whose rate is astonishingly low, whose municipal expense is a mere bagatelle, and it must be borne in mind that when we state \$22,000,000 as being the debenture indebtedness of the Province of Ontario, we must not strike a rate which would apply to all alike, as there are many sections which are feeling this rate very severely indeed. Now, Sir, I have issued a circular with the view of ascertaining what rate was paid by the different municipalities for all purposes. It seemed to me that the statement would be of comparatively little value if we were simply to say that the assessed value of the Province was so much, and the debenture indebtedness so much, knowing very well that each year a very large expenditure takes place throughout the country for various objects (to which I will refer in a few minutes), unless we knew what rate was being paid throughout the whole Province. I issued this circular, therefore, to all the municipalities, and have had returns from 552. The following is a synopsis of the whole:—

RATE ON THE DOLLAR FOR 1880.

Memorandum.

Of the 552 municipalities included in this statement there are:—

250 Townships rated under 1 cent in the \$.

63	"	"	1	and under $1\frac{1}{2}$ cents in the \$
28	"	"	$1\frac{1}{2}$	" 2 " "
6	"	"	2	" $2\frac{1}{4}$ " "
5	"	"	$2\frac{1}{4}$	" $2\frac{1}{2}$ " "
8	"	"	$2\frac{1}{2}$	" 3 " "
14	"	"	over 3 " "	

11	Villages	rated	1 cent in the \$.			
31	"	"	1 and under $1\frac{1}{2}$ cents in the \$.			
38	"	"	$1\frac{1}{2}$	"	2	" "
11	"	"	2	"	$2\frac{1}{4}$	" "
8	"	"	$2\frac{1}{4}$	"	$2\frac{1}{2}$	" "
6	"	"	$2\frac{1}{2}$	"	3	" "
6	"	"	over		3	" "
9	Towns	"	1 and under $1\frac{1}{2}$		"	" "
29	"	"	$1\frac{1}{2}$	"	2	" "
9	"	"	2	"	$2\frac{1}{4}$	" "
5	"	"	$2\frac{1}{4}$	"	$2\frac{1}{2}$	" "
5	"	"	$2\frac{1}{2}$	"	3	" "
1	"	"	over		3	" "
7	Cities	"	$1\frac{1}{2}$ and under 2		"	" "
2	"	"	2	"	$2\frac{1}{4}$	" "
<hr/>						
552	Average 0.98.					

MR. MILLER.—That has nothing to do with the School Taxes, I presume?

MR. WOOD.—It has, when the rates are levied through the Councils, but not when the School Board is called upon to raise a certain amount of money. I may state that we intend having a proper circular sent out so that we shall be able to ascertain just what rate was paid for school purposes. I spoke of \$700,000,000 as being a very large assessment, but when you compare it with the expenditure it is not so very large. Several of the municipalities have, as you are aware, revenues from other sources besides direct taxation. In 1879 the municipal expenditure amounted to \$11,137,747.10, and prominent among the items of expenditure are the following:—

For Schools (not school-houses)	\$2,630,958 25
" Roads, bridges and sidewalks.....	1,189,143 49
" Administration of Justice	651,967 52

Of this sum, however, they received from Government, \$141,065.15. We have following a sum which must be of interest to those who were interested in the economy of the management of municipal affairs in this House. The municipal government of the Province of Ontario cost, in 1879, \$993,361, and the amount paid for charity was \$148,736. Now, I have taken, so far as the liabilities are concerned,

the statement of the Auditors as returned to me, and I have explained that, so far as the debentures are concerned, I am satisfied that \$2,000,000 should be added to the liabilities as placed in the statement of the Auditors.

The statement furnished shews that the municipal liability of the Province of Ontario on the 1st January, 1880, was \$22,557,984. Possibly to that should be added \$2,000,000, as I said before, but if you do that, then you must add \$2,000,000 to available assets, on account of sinking fund, which will leave the balance the same; therefore, taking their statement as correct, for the purpose of arriving at a balance, we will take the municipal indebtedness of the Province as \$22,557,984, and the available assets are, Cash Balances, \$1,510,144; Taxes Uncollected, \$2,915,435; Debenture Stock, etc., \$2,304,812, and due from other municipalities, \$300,798; total \$7,031,189. Deduct from this some railway stock, supposed to be of no value, and therefore not to be taken as an available asset—\$1,500,000—and you have as the available assets \$5,531,189, shewing that the actual balance of municipal indebtedness of the Province of Ontario, over and above the available assets, is about \$17,026,795.

Now, Mr. Speaker, I have taken up more time than I anticipated in bringing the financial affairs of the Province before the House. One might, on subjects of this kind, go on at any length, but I do not think it desirable, and shall take but a very few minutes longer. This is not the place to discuss, or pronounce upon, or review—unless under very exceptional circumstances—the legislation at Ottawa. But I might be allowed, perhaps, to state that, judging by the legislation going on there now, the present outlook indicates that, for many years to come, we shall have to submit in the Province of Ontario to a very high tariff. (Hear, hear.) I might also say that the inland revenue taxes will not be reduced, but, on the other hand, by the statement I have presented to the House, it must be apparent to Hon. Members that, in a great portion of this fair Province, a high municipal tax prevails. It is, therefore, necessary for the people and for this House to guard more carefully than ever the financial affairs of Ontario. It is true that we may expect for a long time to

come that the receipts of the Crown Lands Department will be much larger than for the past four or five years. It is also true that several of the unfixed revenues will increase rather than decrease. It must be borne in mind, however, that the expenditure for the maintenance of public institutions, for education, and the administration of justice, will also largely increase, and, while this House is bound to come to the aid of the Province liberally in regard to improvements of a provincial character, still, as regards works of a more local nature, they should exercise every possible caution, not only considering the peculiar wants and circumstances of the locality, but also considering the financial position of the Province of Ontario. Mr. Speaker, I move that you do now leave the chair. (Loud applause.)



